

# NGE Capital Limited

## CORPORATE GOVERNANCE STATEMENT

The Corporate Governance Statement sets out the extent to which the Company has followed the recommendations of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations for the financial year ended 31 December 2023.

The Company's Corporate Governance documents can be located at the following website link:  
<http://www.ngecapital.com.au/investor-information/corporate-governance>

Principles and Recommendations	Compliance	Comment
<b>1. Lay solid foundations for management and oversight</b>		
<b>1.1</b> A listed entity should have and disclose a board charter setting out: <ul style="list-style-type: none"> <li>a) the respective roles and responsibilities of its board and management; and</li> <li>b) those matters expressly reserved to the Board and those delegated to management.</li> </ul>	Complies	<p>The Company has established a Board Charter, which discloses the specific responsibilities of the Board and those of senior executives.</p> <p>The Board delegates responsibility for the day to day operations and administration of the Company to the Executive Chairman.</p> <p>The Company's Board Charter is posted on the Company's website.</p>
<b>1.2</b> A listed entity should: <ul style="list-style-type: none"> <li>a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and</li> <li>b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re- elect a director.</li> </ul>	Complies	<p>The Executive Chairman and Company Secretary are responsible for ensuring that appropriate checks are undertaken before a director candidate is appointed or put forward to security holders for election.</p> <p>All material information in the Company's possession relevant to a decision on whether or not to elect or re- elect a director is provided to security holders in the notice of the meeting at which the director is to be put forward for election or re-election.</p>
<b>1.3</b> A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Complies	All directors and senior executives have in place written agreements between themselves personally and the Company setting out the terms of their appointment.
<b>1.4</b> The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Complies	The Company Secretary reports directly to the Executive Chairman. The decision to appoint or remove the Company Secretary is made by the Board.

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<p><b>1.5</b> A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose a diversity policy;</li> <li>b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</li> <li>c) disclose in relation to each reporting period: <ul style="list-style-type: none"> <li>(1) the measurable objectives set for that period to achieve gender diversity;</li> <li>(2) the entity’s progress towards achieving those objectives; and</li> <li>(3) either: <ul style="list-style-type: none"> <li>a. the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined “senior executive” for these purposes); or</li> <li>b. if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “gender Equality Indicators”, as defined and published in that Act.</li> </ul> </li> </ul> </li> </ul> <p>If the entity was in the S&amp;P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p>Does not comply</p>	<p>Given the Company’s current size the Board believes that there is no scope to achieve any meaningful diversity objectives in the short-term.</p> <p>However, the Board recognises and values the differences between people and the contribution these differences can make to the long-term growth and sustainability of the Company and will seek to re-introduce a Diversity Policy once meaningful goals can be set and achieved.</p> <p>The Company is not a ‘relevant employer’ under the Workplace Gender Equality Act.</p> <p>The Company was not on the S&amp;P/ASX300 at the commencement of the reporting period.</p>

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<p><b>1.6</b> A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</li> <li>b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</li> </ul>	Complies	<p>The Company does not have a formal process for evaluating the performance of the Board and its Committees but rather there is an informal peer review procedure for evaluating the performance of individual directors.</p> <p>This informal review process was the evaluation process used during the reporting period.</p>
<p><b>1.7</b> A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</li> <li>b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</li> </ul>	Complies	<p>The Board, under the chair of Mr Rimer, annually evaluates the performance of the Company's Senior Executives.</p> <p>In accordance with this process the Board reviewed the performance of the Company's Senior Executives for the period ended 31 December 2023.</p>
<p><b>2. Structure the board to be effective and add value</b></p>		
<p><b>2.1</b> The Board of a listed entity should:</p> <ul style="list-style-type: none"> <li>a) have a nomination committee which: <ul style="list-style-type: none"> <li>i) has at least three members, a majority of whom are independent directors; and</li> <li>ii) is chaired by an independent director;</li> </ul> </li> <li>and disclose,</li> <li>iii) the charter of the committee</li> <li>iv) the members of the committee; and</li> <li>v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul>	Does not comply	<p>The Board does not have a Nomination Committee.</p>

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<p>b) If it does not have a nomination committee, disclose the fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	Complies	<p>The full Board is responsible for addressing board succession issues and for ensuring that the board has the appropriate balance of skills, knowledge, experience, independence to discharge its duties. The Board has determined the mix of skills required on the board (as set out in the Board Charter) and undertakes periodic informal reviews to evaluate the composition of the Board.</p>
<p><b>2.2</b> A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	Complies	<p>The skills of each Board member are disclosed on the Company's website and in the Company's Annual Report for each year.</p> <p>The Board Charter states the mix of skills the board of directors is looking to achieve.</p> <p>The Company currently does not have a Diversity Policy</p>
<p><b>2.3</b> A listed entity should disclose:</p> <p>a) the names of the directors considered by the Board to be independent directors;</p> <p>b) if a director has an interest, position, or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>c) the length of service of each director.</p>	Complies	<p>These details are disclosed in the Annual Report.</p> <p>The Board comprises one independent Non-Executive, independent Director (Mr Rimer), one non-independent Executive Director (Mr Saunders) and the non-independent Executive Chairman (Mr Lamm).</p> <p>The lengths of service are as follows:</p> <ul style="list-style-type: none"> <li>- Mr Lamm – 94 months</li> <li>- Mr Saunders – 94 months</li> <li>- Mr Rimer – 79 months</li> </ul>
<p><b>2.4</b> A majority of the board of a listed entity should be independent directors.</p>	Does not comply	<p>The Board recognises that it is desirable for the majority of the Board to be Independent Directors, however the Company's current size dictates that the current board composition is the most efficient mode of operation at the current time. The Board will review the appointment of further Independent Directors should the company's size and growth warrant this.</p>

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<p><b>2.5</b> The chair of the board of a listed entity should be an independent director and, in particular should not be the same person as the CEO of the entity.</p>	Does not comply	<p>Mr Lamm was appointed to the Board as Non-Executive Chairman on 15 July 2015 and Executive Chairman on 29 February 2016. Mr Lamm is not considered to be an independent director by virtue of his shareholding in the company and being an Executive of the Company at the date of this report.</p> <p>The Board recognises that it is desirable for the majority of the Board to be Independent Directors and for the Chair of the Board to be an independent director, however the Company’s current size dictates that this is the most efficient mode of operation at the current time.</p>
<p><b>2.6</b> A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.</p>	Complies	<p>The company has an informal program for inducting a new director that includes training materials on the legal duties and responsibilities of directors under key regulatory legislation, the Listing Rules and Company specific accounting matters. The company secretary ensures that all directors are informed of changes in governance obligations, including material developments in laws, regulations and accounting standards relevant to the Company.</p> <p>The board undertakes regular assessments whether the directors as a group have the skill, knowledge and experience to deal with new and emerging business and governance issues and addresses any gaps identified.</p>
<p><b>3. Instil a culture of acting lawfully, ethically and responsibly</b></p>		
<p><b>3.1</b> A listed entity should articulate and disclose its values.</p>	Complies	<p>The Company has confirmed a statement of values that it considers appropriate to guide the behaviours needed to build long term sustainable value for shareholders. This statement of value is included within the Code of Conduct, which is posted on the Company’s website</p>
<p><b>3.2</b> A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose a code of conduct for its directors, senior executives and employees; and</li> <li>b) ensure that the board or a committee of the board is informed of any material breaches of that code.</li> </ul>	Complies	<p>The Company has established a Code of Conduct, which provides a guide to the conduct expected of directors and employees of the Company. The aim of the Code is to make clear the importance the Company places on working with integrity at all times and with respect for each other, the environment, the law and the communities in which the Company operates. The Code of Conduct is posted on the Company’s website.</p>

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<p><b>3.3</b> A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose a whistleblower policy; and</li> <li>b) ensure that the board or a committee of the board is informed of any material breaches of that code.</li> </ul>	Complies	<p>The Company has established a Whistleblower Policy, which encourages employees and any others connected to the organisation to speak up about any unlawful, unethical or irresponsible behaviour within the organisation.</p>
<p><b>3.4</b> A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose an anti-bribery and corruption policy; and</li> <li>b) ensure that the board or a committee of the board is informed of any material breaches of that code.</li> </ul>	Complies	<p>The Company has established an Anti-Bribery and Corruption Policy that acknowledges the serious penalties that may apply and the potential reputation damage done by any involvement in Bribery or Corruption. This Policy prohibits the giving of any bribes, improper payments or benefits or secret commissions or the acceptance of any improper gifts, entertainment or hospitality.</p>
<p><b>4. Safeguard the integrity of corporate reports</b></p>		
<p><b>4.1</b> The board of a listed entity should:</p> <ul style="list-style-type: none"> <li>a) have an audit committee which: <ul style="list-style-type: none"> <li>1) has at least three members, all of whom are non – executive directors and a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director who is not the chair of the board;</li> </ul> </li> <li>and disclose</li> <li>3) the charter of the committee;</li> <li>4) the relevant qualifications and experience of the members of the committee; and</li> </ul>	Does not comply	<p>The Board has established an Audit Committee to safeguard the integrity of the Company’s financial reporting.</p> <p>The Audit Committee consists of two members as follows:</p> <ul style="list-style-type: none"> <li>• Mr Ilan Rimer (from August 2017) – Chairman of the Audit Committee, independent Non-Executive Director;</li> <li>• Mr Adam Saunders – non-independent Executive Director;</li> </ul> <p>The Audit Committee Charter is posted on the Company's website.</p> <p>The Board recognises that it is desirable for the Audit Committee to have at least three members, all of whom are non-executive directors and a majority of whom are independent directors, however the Company’s current size dictates that this is the most efficient mode of operation at the current time. The Board will review the appointment of further Independent Directors should the company’s size and growth warrant this.</p>

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<p>5) in relation to each reporting period, the number of times the committee met through the period and the individual attendances of each of the members at those meetings; or</p> <p>b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>		<p>The qualifications and experience of each member of the Committee and the number of Audit Committee meetings held and the attendances at those meetings is disclosed in the Annual Report.</p>
<p><b>4.2</b> The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Complies	The Board has received this assurance from the Executive Chairman and Chief Financial Officer
<p><b>4.3</b> A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	Complies	The non-financial sections of corporate reports released to the market are prepared and released after review by the executive directors. The financial sections of corporate reports released to the market are prepared, checked by director independent of the preparation, and released after review by the executive directors.

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<b>5. Make timely and balanced disclosure</b>		
<b>5.1</b> A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1	Complies	<p>The Board has adopted a Continuous Disclosure Policy to ensure that the Company complies with its continuous disclosure obligations under the Corporations Act and the ASX Listing Rules and to ensure accountability for compliance. The Continuous Disclosure Policy is posted on the Company's website.</p> <p>The Executive Chairman and the Company Secretary have primary responsibility for ensuring that the Company complies with its continuous disclosure obligations.</p>
<b>5.2</b> A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Complies	All board members receive copies of all announcements directly from the ASX upon release.
<b>5.3</b> A listed entity that gives a new or substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Complies	
<b>6. Respect the rights of security holders</b>		
<b>6.1</b> A listed entity should provide information about itself and its governance to investors via its website.	Complies	Information pertaining to the Company, its governance and ASX announcements can be located on the Company's website at: <a href="http://www.ngecapital.com.au/">http://www.ngecapital.com.au/</a>
<b>6.2</b> A listed entity should have an investor relations program that facilitates effective two – way communication with investors.	Complies	The Board has established practices to facilitate effective communication with shareholders. The Executive Chairman and the Company Secretary oversee this process through the Company's website. Briefings are held with investors and financial advisors. Prior to such briefings, any new information to be given is first released to the ASX and if significant, is later distributed to shareholders/investors who have registered their email address with the Company. All shareholders are notified in writing of general meetings and are encouraged to attend and participate. The Executive Directors will endeavour to respond to all reasonable shareholder enquiries and where appropriate also meet with shareholders upon request.



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<p><b>6.3</b> A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p>	Complies	The Company has established a Shareholder Communication Policy which is posted to the Company's website. The Policy seeks to promote effective communication with shareholders and encourage effective participation by shareholders at general meetings.
<p><b>6.4</b> A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p>	Complies	The Company's meeting procedures protocol determines that all resolutions at a meeting of security holders are decided by a poll.
<p><b>6.5</b> A listed entity should give security holders the option to receive communications from and send communications to, the entity and its security registry electronically.</p>	Complies	Through the Company's website and through the website of the Company's share registry, security holders are invited to provide their email address to enable electronic communication to and from the Company and its share registry. Periodically the Company will contact shareholders directly to invite them to subscribe for electronic communication to and from the Company and its share registry
<p><b>7. Recognise and manage risk</b></p>		
<p><b>7.1</b> The Board of a listed entity should:</p> <p>a) have a committee or committees to oversee risk, each of which;</p> <p>1) has at least three members, a majority of whom are independent directors; and</p> <p>2) is chaired by and independent director</p> <p>and disclose:</p> <p>3) the charter of the committee;</p> <p>4) the members of the committee; and</p> <p>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendance of the members at those meetings; or</p>	Does not comply	Due to the present size of the Company, Company does not have a standalone Risk Committee. The full Board and the Audit Committee together perform the role of risk oversight.

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<p>b) if it does not have a risk committee or committees that satisfy a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	Complies	<p>The Company's Risk Management Policy articulates the accountabilities of the Board, the Audit Committee and management in respect of risk management.</p> <p>The Audit Committee is responsible for providing the Board with advice and recommendations regarding the ongoing development of risk oversight and management policies.</p> <p>The Board monitors and receives advice as required on material business risks, and regularly considers appropriate risk management strategies. Specific identified areas of risk are regularly considered at Board meetings. Included in these areas are performance of operations, human resources, health, safety and the environment, continuous disclosure obligations, asset protection and financial exposures.</p> <p>The Executive Chairman and CFO are required to design and implement the Company's risk management and internal control system to manage the Company's material business risks and to report on whether those risks are being managed effectively.</p> <p>The Company's Risk Management Policy is posted on the Company's website.</p>
<p><b>7.2</b> The board or a committee of the board should:</p> <p>a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>b) disclose in relation to each reporting period, whether such a review has taken place.</p>	Complies	<p>The Executive Chairman and CFO report to the board on the effectiveness of the Company's management of its material business risks.</p>

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<p><b>7.3</b> A listed entity should disclose:</p> <p style="margin-left: 20px;">a) if it has an internal audit function, how the function is structured and what role it performs;</p> <p style="margin-left: 40px;">or</p> <p style="margin-left: 20px;">b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	Complies	<p>The Company’s internal audit function is carried out by the Company’s Audit Committee.</p> <p>The Board is responsible for reviewing and assessing the effectiveness of the Company’s system of risk management and the Audit Committee is also responsible for reviewing at least annually the effectiveness of the Company’s implementation of the risk management system and providing advice and recommendations to the Board regarding the ongoing development of risk oversight and management policies.</p> <p>The Audit Committee periodically reviews the need for an internal audit function.</p>
<p><b>7.4</b> A listed entity should disclose whether it has any material exposure to environmental or social risks, and if it does how it manages or intends to manage those risks.</p>	Complies	<p>The Company’s operations as a listed investment company are not subject to any particular or significant direct exposure to environmental or social risks but may be exposed indirectly through its investments.</p> <p>The Company’s Board and management team identify and manage operational, financial and compliance risks which could prevent the Company from achieving its objectives.</p>
<p><b>8. Remunerate fairly and responsibly</b></p>		
<p><b>8.1</b> The Board of a listed entity should:</p> <p style="margin-left: 20px;">(a) have a remuneration committee which:</p> <p style="margin-left: 40px;">(1) has at least three members, a majority of whom are independent directors; and</p> <p style="margin-left: 40px;">(2) is chaired by an independent director,</p> <p style="margin-left: 40px;">and disclose</p> <p style="margin-left: 40px;">(3) the charter of the committee;</p> <p style="margin-left: 40px;">(4) the members of the committee; and</p> <p style="margin-left: 40px;">(5) as at the end of the reporting period, the number of times the committee met throughout the period and the individual attendance of the members at those meetings; or</p>	Does not comply	<p>Since September 2017 the Company has not had a Remuneration Committee as the Board believes that given the size and nature of the Company it is more efficient to deal with remuneration issues as a whole. Should the size of the Company change the Board will consider re-instating a separate Remuneration Committee. Mr. Rimer Chairs the Board when it addresses remuneration matters and may seek external advice as necessary.</p>

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(b) if it does not have a remuneration committee, disclose that fact and the process it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.		The Company's Remuneration Committee Charter is posted on the Company's website.
<b>8.2</b> A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Complies	The Company's remuneration policy and remuneration of non-executive directors, executive directors and other senior executives is disclosed in the Company's Annual Report.
<b>8.3</b> A listed entity which has an equity-based remuneration scheme should:	N/A	The Company does not have an equity-based remuneration scheme.
<ul style="list-style-type: none"> <li>a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limited the economic risk of participating in the scheme; and</li> <li>b) disclose that policy or a summary of it.</li> </ul>		